

DOLLARS & SENSE

A QUARTERLY PUBLICATION OF THE TENNESSEE CREDIT UNION

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TENNESSEE
CREDIT UNION
October 2011

Fortunately, many people like to give with an open heart to help others in need, especially during the holiday season. Unfortunately, that means we've created a climate that's ripe for fake charity scams and scam artists. Fake charity scams often set up quasi-legitimate agencies so that, at first glance, they look real. They may also name themselves something similar to other legitimate charities. These scam artists use all of the standard methods to collect 'donations' for their charity scams: door-to-door solicitation, email, and telemarketing. Here are some tips to help spot charity scams:

have to go to the cause in which you're donating and a maximum of 35 percent can go to administrative expenses. So, in essence, no legitimate and actively-running charity will be able to give all 100% of donations to their cause.

Pressures Donors to Hurriedly Give Contributions: Organizations that use high-pressure strategies to get money before a donor has had an adequate amount of time to decide are often up to no good. These bogus charities may also offer to send couriers or overnight delivery services to collect donations as quickly as possible.

Beware of Charity Scams



Refusal to disclose documentation: If a charity refuses to provide tangible documentation of its identity, mission, costs and how the donation will be used, you're most likely dealing with a charity scam. All charities should have a name, contact person, phone number and address in which they can be reached. Visit the Better Business Bureau Wise Giving Alliance website at www.give.org to find additional information about national charities.

Claims 100% of Collected Funds Goes to Charity's Cause: Charities that claim to give 100% of collected funds to their organization's cause can be a cause for concern. All legitimate charities incur operating and administrative costs, which come out of the donation pool. All accredited charities have to meet the 65/35 split, meaning a minimum of 65 percent of donations

Thanks You for Pledging to Donate When You Haven't: This is another kind of high-pressure tactic that's used to guilt people into donating even when they can't remember pledging to donate. Avoid falling for this by keeping a record of all pledges and past donations on hand for these particular phone calls.

The best way to avoid charity scams is to decide in advance which charities you'll support and contact them. Donating to a charity is one of the most generous gifts a person can give, but it's important to make sure that your good intentions are not wasted on one of the many charity scams circulating the country. For more information on current Fraud Alerts visit the Fraud Center of our website at www.ttcu.org.

For the entire month of November...

Get your holiday shopping done early with your TTCU credit card and receive a preferred rate of 4.9% APR* throughout the entire month of November on every purchase you make.



*Annual Percentage Rate current as of 11/1/11 through 11/30/11 and based on credit qualifications. All rates and terms subject to change. 4.9% for 12 months from date of first qualifying purchase, standard rate of purchase applies thereafter.

e Statements

This completely free service is not only a paper saver, it will reduce your risk of identity theft and is usually available more quickly than traditional statements sent through the mail.

Here's how to enroll:

1. Log into your Smart Branch Account.
2. On the purple bar at the bottom of your account summary page choose eStatement Service.
3. Choose Continue at the bottom of the first page of the disclosure. (On the first page of the disclosure you will notice to the right is listed the email address, we have on file for you. If you prefer another address just enter it, confirm and save.)
4. Choose Electronic under Service.
5. Choose Yes to accept and save the changes to your account setting.

Having access to your funds when you need them is important. That's why we want to make sure you remember Reg D, an important federal regulation that limits the number of electronic transactions you can make each month from your savings or money market accounts. Under Reg D, you are allowed a total of 6 transactions each month from the following:



- Preauthorized ACH debits/credits
- Automatic transfers
- Telephone transfers (speaking with an employee by phone)
- Audio response transfers (Express Call)
- Payments to third parties by check or debit card (if overdraft transfer made from savings)

We have several ways to help you manage your electronic transfer limit from savings. First, you could transfer more money at one time. Or you could use a line of credit as overdraft protection for your checking account – thereby decreasing your need for transfers from savings. And finally, you can always come into a TTCU branch or Shared Branch location to sign for the transfer of funds (no limits on these!).

If you have any questions about Reg D, please contact your local branch or email us at memberservices@ttcu.org.

Upcoming Holiday Happenings

Skip-a-Payment

Skip-a-Payment is designed to allow you to skip one loan payment during either December or January. Promotion will run November 15 through January 31.

Holiday Loan

November 1 through December 31 we will be offering a special holiday loan rate to help with extra expenses.

Christmas Club

account holders will have their savings disbursed to their checking or savings account this month. The best time of year to open a Christmas Club account is now, as the money will be disbursed to you next October, giving you the opportunity to save for one full year. As an added bonus, balances of \$100 or more will earn dividends on a quarterly basis.

Contact your local branch for more details or go to www.ttcu.org.

Tax Efficient Investing – A Smart Choice

Content developed by CUNA Brokerage Services, provided by Bethel Coleman Ellis

Taxes can take a chunk out of your investment returns. Employing some of these strategies could help you retain more of your potential investment earnings and lessen your tax burden.

Buy and Hold

Following a buy-and-hold strategy for your stock investments may save on taxes in the long run. Not only do you postpone taxes the longer you hold, if you hold your investment long enough, your gains might be subject to the lower capital gains tax rate. Capital gains are generally taxed at 15% on investments you hold longer than one year. Gains on investments you've owned one year or less are taxed at your regular federal income-tax rate.

Consider Tax-Exempt Investments

Tax-exempt investments, such as municipal bonds, give you income that is generally exempt from federal—and often state and local— income tax. If you want income rather than growth, municipal bonds may be a good choice.

Take Advantage of Qualified Plans

Participating in an employer's 401(k) or 403(b) plan reduces your tax obligation because your contributions are not considered part of your taxable income in the year you make them. Additionally, taxes on your earnings are deferred until you withdraw funds from the plan.

(Continued page 4)



Mobile Banking

Anytime.
Anywhere.

We are very excited to announce that we are now offering mobile banking. Mobile banking enables you to perform banking transactions such as Bill Payer, balance checks, and transfers, through your mobile device.

If you have a Smartphone just open Smart Branch, enter your password and choose Mobile Banking. If you don't have a Smartphone, visit this link <https://smartbranch.ttcu.org/mobile> to get started.

It's so easy and convenient, it may change the way you bank forever.



LOCATIONS

MAIN BRANCH (Nashville)
(615) 244-1910
1400 Eighth Avenue South
Nashville, TN 37203

RIVERGATE BRANCH
(615) 868-0290
917 Rivergate Parkway
Goodlettsville, TN 37072

WEST BRANCH
(615) 352-1544
107 White Bridge Road
Nashville, TN 37209

GALLATIN BRANCH
(615) 452-7910
716 Nashville Pike
Gallatin, TN 37066

COOL SPRINGS BRANCH
(615) 771-3560
1809 Mallory Lane
Brentwood, TN 37027

COOKEVILLE BRANCH
(931) 528-8160
1281 South Walnut Avenue
Cookeville, TN 38501

KNOXVILLE BRANCH
(865) 693-9500
10431 Kingston Pike
Knoxville, TN 37922

JOHNSON CITY (Sunset)
(423) 915-0222
310 Sunset Drive
Johnson City, TN 37604

JOHNSON CITY (ETSU)
(423) 439-4423
P.O. Box 23112
D.P. Culp University Center
ETSU
Johnson City, TN 37614

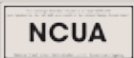
MORRISTOWN BRANCH
(423) 586-1252
2755 West Andrew Johnson Hwy
Morristown, TN 37814

MAIL
P.O.Box 22881
Nashville, TN 37202-2881

TOLL-FREE
(800) 622-2535

EXPRESS CALL
(800) 338-1904

WEBSITE
www.ttcu.org



Tax Efficient Investing – A Smart Choice

(continued from page 3)

Explore IRAs

IRAs are another option to consider, but you need to determine if your contributions to a regular IRA may be tax deductible. Roth IRAs are slightly different. Although contributions to a Roth IRA are not deductible, account earnings are tax deferred and can ultimately be withdrawn from the Roth IRA income-tax free provided certain conditions are met.

Invest Tax Smart

Keeping as much of your hard-earned money as possible is the goal of tax efficient investing. Your financial advisor can help you explore all the ways you can invest with the goal of minimizing taxes.

Bethel Coleman Ellis is a Financial Advisor with MEMBERS Financial Services located at The Tennessee Credit Union. If you have any questions, or would like to provide feedback, regarding the information presented in this article, you may contact Bethel at 615-780-7804. Representative is not a tax advisor or legal expert. For information regarding specific tax situations, please contact a tax professional. For legal advice, consult an attorney.

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Statistics

| | |
|----------------|-------------------------|
| Assets | \$240,372,651.59 |
| Loans | \$125,438,256.14 |
| Members | 23,499 |
| Shares | \$213,539,434.64 |

**Credit Union Officials
Board of Directors**

- Mr. John R. Younger, Chairman
- Mr. Austin W. Smith, Jr., Vice Chairman
- Mr. Ted R. Potter, Treasurer
- Ms. Edith P. Jordan, Secretary
- Mr. James C. Hall, Director
- Dr. James E. Barrick, Director
- Mr. Gerald W. Martin, Director
- Mr. H. Woodard Pigg, Jr., Director
- Ms. Betty Jo Reed, Director
- Mr. Michael D. Martin, President/CEO

Audit Committee

- Ms. Shannon Puckett, Chairman
- Mrs. Sara T. Tune
- Mr. Robert Churchwell, Jr.
- Ms. Kathy Wood-Dobbins

**New CU Service Centers
in East Tennessee**

The Credit Union Service Center Network is a network of Shared Service Centers that allow our members to walk into a branch of another credit union in the CUSC Network and perform transactions just as if they were in a TTCU branch. There are several new CU Service Centers in East Tennessee that may be more convenient for you if you do not live in the immediate Knoxville area. Y-12 Federal Credit Union has joined the CUSC Network. They have several branches in East TN including locations in Oak Ridge, Harriman, Sevierville, and two locations in Knoxville.

For more information including addresses and hours visit www.creditunion.net.



CU SERVICE CENTERS®